

State of Massachusetts has been working to tackle this growing industry. We have been working to end this modern-day slavery and exploitation through coalitions and innovative partnerships between survivor-led, community-based organizations, businesses, and local and State government agencies.

While these coalitions are making progress, they cannot do it alone. The Federal Government has a critical role to play in providing resources and research to guide this work. The FIND Trafficking Act will shed much-needed light in the ways that technology-based currencies have fueled and financed these human rights abuses. We will not rest until every survivor receives justice, and we dismantle these systems of oppression and exploitation that drive trafficking and abuse.

To all survivors: We see you. We believe you, and we are fighting for you.

Mr. McHENRY. Mr. Speaker, I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield 2 minutes to the gentlewoman from Pennsylvania (Ms. DEAN).

Ms. DEAN. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I rise in support of the FIND Trafficking Act, H.R. 502. Over the last several years, the work of law enforcement has gotten significantly harder. One difference, cryptocurrencies; virtual currencies such as bitcoin, Ethereum, and others, have changed consumers' relationships with money in profound ways, allowing them to conduct anonymous transactions outside the traditional banking sector.

Criminal networks have taken advantage of these new tools using virtual currencies to carry out drug sales and sex trafficking operations. That is why the FIND Trafficking Act is so important.

This bipartisan bill would require the Comptroller General of the United States to study how virtual currencies enable criminal activity and propose solutions to stop it.

Based on these findings, Congress would design legislation to regulate virtual currencies. Our law enforcement officials are already working hard to tackle this challenge.

In November of 2016, for example, during an investigation into an illegal fentanyl operation, Federal law enforcement seized \$2 million in virtual currency. Nonetheless, human traffickers and drug dealers have gravitated to virtual currencies because they provide an unprecedented level of secrecy and anonymity.

According to DEA, online marketplaces now use virtual currencies to sell fentanyl, a prime contribution to America's deadly opioid crisis. We are now living and dying through the consequences.

According to the CDC, in 2017, more than 70,000 Americans died from drug overdoses. My own State of Pennsylvania is ravaged with the third highest rate of overdose-related deaths and un-

told suffering for families in our communities.

The bottom line is we know that virtual currencies are being used to fund sex and drug trafficking, but we don't know the true scope of the problem, nor do we have a full set of tools to address the challenge. That is why we need H.R. 502.

Mr. McHENRY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing, I think it is important that Congress understand. The objective of this bill is to understand the contours of human trafficking that occur here in the United States, and to understand the contours of how drugs are financed. It is incumbent that we have the proper data and the public have the proper data so we can understand how to respond.

That is what this measure is about, the plight of those human-trafficking victims, and the plight of those who are suffering the impairments and the devastating consequences that opioids have brought in our society. We know those in our community.

What we have to understand is the deeper issues around the movement of money, which is what the Financial Services Committee can do. It doesn't fix the full problem, and we should focus on fixing the larger issues around human trafficking and drug overdoses, and the horrible effects of illicit drugs on our society.

But what we can do here is understand the contour so we can cut off that siphon of money that is fueling this epidemic in our communities all across America.

I want to thank Mr. VARGAS and Mrs. WAGNER, who just departed, for their work on this important issue.

Mr. Speaker, I urge my colleagues to vote "yes," and I yield back the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, H.R. 502, the FIND Trafficking Act, is an important bill in the fight against human trafficking and drug trafficking. There are millions of victims trapped in forced sex exploitation globally, and there were over 70,000 drug overdose deaths in the United States in 2017.

This bill will study how virtual currencies and online marketplaces facilitate human trafficking and drug trafficking, and it will study the participants who are abusing these mediums. The research that results from this bill will assist Congress in finding effective measures to address these harmful, illicit trades.

Lives can be saved because of this legislation. Once again, I thank Congressman VARGAS and Congresswoman WAGNER for introducing this bipartisan legislation.

Again, this is the second bill that we have here on the floor today where we have bipartisan cooperation. They are great bills that both sides can support. Again, I am very grateful for the vision of Congressman VARGAS and Congress-

woman WAGNER, in introducing this legislation, and I urge support for the bill.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 502.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Ms. WATERS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

FINANCIAL TECHNOLOGY PROTECTION ACT

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 56) to establish an Independent Financial Technology Task Force to Combat Terrorism and Illicit Financing, to provide rewards for information leading to convictions related to terrorist use of digital currencies, to establish a Fintech Leadership in Innovation and Financial Intelligence Program to encourage the development of tools and programs to combat terrorist and illicit use of digital currencies, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 56

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Financial Technology Protection Act".

SEC. 2. SENSE OF CONGRESS.

It is the sense of Congress that the Federal Government should prioritize the investigation of terrorist and illicit use of new financial technology, including digital currencies.

SEC. 3. INDEPENDENT FINANCIAL TECHNOLOGY TASK FORCE TO COMBAT TERRORISM AND ILICIT FINANCING.

(a) ESTABLISHMENT.—There is established the Independent Financial Technology Task Force to Combat Terrorism and Illicit Financing (the "Task Force"), which shall consist of—

(1) the Secretary of the Treasury, who shall serve as the head of the Task Force;

(2) the Attorney General;

(3) the Director of National Intelligence;

(4) the Director of the Financial Crimes Enforcement Network;

(5) the Director of the Secret Service;

(6) the Director of the Federal Bureau of Investigation; and

(7) 6 individuals appointed by the Secretary of the Treasury, in consultation with the members of the Task Force described under paragraphs (2) through (6), to represent the private sector (including the banking industry, nonprofit groups, and think tanks), with at least 2 of such individuals having experience in the Fintech industry.

(b) DUTIES.—The Task Force shall—

(1) conduct independent research on terrorist and illicit use of new financial technologies, including digital currencies; and

(2) develop legislative and regulatory proposals to improve counter-terrorist and counter-illicit financing efforts.

(c) ANNUAL CONGRESSIONAL REPORT.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter, the Task Force shall issue a report to the Congress containing the findings and determinations made by the Task Force in the previous year and any legislative and regulatory proposals developed by the Task Force.

SEC. 4. REWARDS FOR INFORMATION RELATED TO TERRORIST USE OF DIGITAL CURRENCIES.

(a) IN GENERAL.—The Secretary of the Treasury, in consultation with the Attorney General, shall establish a fund to pay a reward, not to exceed \$450,000, to any person who provides information leading to the conviction of an individual involved with terrorist use of digital currencies.

(b) USE OF FINES AND FORFEITURES.—With respect to fines and forfeitures related to the conviction of an individual involved with terrorist use of digital currencies, the Secretary of the Treasury shall, subject to the availability of appropriations made in advance—

(1) use such amounts to pay rewards under this section related to such conviction; and

(2) with respect to any such amounts remaining after payments are made under paragraphs (1) and (2), deposit such amounts in the Fintech Leadership in Innovation and Financial Intelligence Program.

SEC. 5. FINTECH LEADERSHIP IN INNOVATION AND FINANCIAL INTELLIGENCE PROGRAM.

(a) ESTABLISHMENT.—There is established a program to be known as the “Fintech Leadership in Innovation and Financial Intelligence Program”, which shall be funded as provided under section 4(b)(2).

(b) INNOVATION GRANTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall make grants for the development of tools and programs to detect terrorist and illicit use of digital currencies.

(2) ELIGIBLE RECIPIENTS.—The Secretary may make grants under this subsection to entities located in the United States, including academic institutions, companies, nonprofit institutions, individuals, and any other entities located in the United States that the Secretary determines appropriate.

(3) ELIGIBLE PROJECTS.—With respect to tools and programs described under paragraph (1), in addition to grants for the development of such tools and programs, the Secretary may make grants under this subsection to carry out pilot programs using such tools, the development of test cases using such tools, and research related to such tools.

(4) PREFERENCES.—In making grants under this subsection, the Secretary shall give preference to—

(A) technology that is nonproprietary or that is community commons-based;

(B) computer code that is developed and released on an open source basis;

(C) tools that are proactive (such as meeting regulatory requirements under “know your customer” and anti-money laundering requirements for any entity that has to comply with U.S. Government regulations) vs. reactive (such as aiding law enforcement organizations in catching illegal activity after the fact); and

(D) tools and incentives that are on decentralized platforms.

(5) OTHER REQUIREMENTS.—

(A) USE OF EXISTING GLOBAL STANDARDS.—Any new technology developed with a grant made under this subsection shall be based on existing global standards, such as those developed by the Internet Engineering Task

Force (IETF) and the World Wide Web Consortium (W3C).

(B) SUPPORTING EXISTING LAWS OR REGULATIONS.—Tools and programs developed with a grant made under this subsection shall be in support of existing laws or regulations, including the Bank Secrecy Act, and make efforts to balance privacy and anti-money laundering concerns.

(C) OPEN ACCESS REQUIREMENT.—Tools and programs developed with a grant made under this subsection shall be freely accessible and usable by the public. This requirement may be fulfilled by publicly availing application programming interfaces or software development kits.

SEC. 6. PREVENTING ROGUE AND FOREIGN ACTORS FROM EVADING SANCTIONS.

(a) REPORT AND STRATEGY WITH RESPECT TO DIGITAL CURRENCIES AND OTHER RELATED EMERGING TECHNOLOGIES.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the President, acting through the Secretary of Treasury and in consultation with the Attorney General, the Secretary of State, the Secretary of Homeland Security, the Director of National Intelligence, the Director of the Office of Management and Budget, and the appropriate Federal banking agencies and Federal functional regulators, shall—

(A) submit to the appropriate congressional committees a report that identifies and describes the potential uses of digital currencies and other related emerging technologies by states, non-state actors, and foreign terrorist organizations to evade sanctions, finance terrorism, or launder monetary instruments, and threaten United States national security; and

(B) develop and submit to the appropriate congressional committees a strategy to mitigate and prevent such illicit use of digital currencies and other related emerging technologies.

(2) FORM; PUBLIC AVAILABILITY.—

(A) FORM.—The report and strategy required under paragraph (1) shall be submitted in unclassified form, but may contain a classified annex.

(B) PUBLIC AVAILABILITY.—The unclassified portion of such report and strategy shall be made available to the public and posted on the internet website of the Department of Treasury—

(i) in pre-compressed, easily downloadable versions that are made available in all appropriate formats; and

(ii) in machine-readable format, if applicable.

(3) SOURCES OF INFORMATION.—In preparing the report and strategy required under paragraph (1), the President may utilize any credible publication, database, web-based resource, and any credible information compiled by any government agency, nongovernmental organization, or other entity that is made available to the President.

(b) BRIEFING.—Not later than 2 years after the date of the enactment of this Act, the Secretary of the Treasury shall brief the appropriate congressional committees on the implementation of the strategy required under subsection (a).

SEC. 7. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

SEC. 8. DEFINITIONS.

For purposes of this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

(A) the Committee on Financial Services, the Committee on the Judiciary, the Permanent Select Committee on Intelligence, and the Committee on Foreign Affairs of the House of Representatives; and

(B) the Committee on Banking, Housing, and Urban Affairs, the Committee on Homeland Security and Governmental Affairs, the Committee on the Judiciary, the Select Committee on Intelligence, and the Committee on Foreign Relations of the Senate.

(2) APPROPRIATE FEDERAL BANKING AGENCIES.—The term “appropriate Federal banking agencies” has the meaning given the term in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(3) BANK SECRECY ACT.—The term “Bank Secrecy Act” means—

(A) section 21 of the Federal Deposit Insurance Act;

(B) chapter 2 of title I of Public Law 91-508; and

(C) subchapter II of chapter 53 of title 31, United States Code.

(4) DIGITAL CURRENCY.—The term “digital currency”—

(A) means a digital representation of value that—

(i) is used as a medium of exchange, unit of account, or store of value; and

(ii) is not established legal tender, whether or not denominated in established legal tender; and

(B) does not include—

(i) a transaction in which a merchant grants, as part of an affinity or rewards program, value that cannot be taken from or exchanged with the merchant for legal tender, bank credit, or digital currency; or

(ii) a digital representation of value issued by or on behalf of a publisher and used solely within an online game, game platform, or family of games sold by the same publisher or offered on the same game platform.

(5) FEDERAL FUNCTIONAL REGULATOR.—The term “Federal functional regulator” has the meaning given that term in section 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6809).

(6) FOREIGN TERRORIST ORGANIZATION.—The term “foreign terrorist organization” means an organization that is designated as a foreign terrorist organization under section 219 of the Immigration and Nationality Act (8 U.S.C. 1189).

(7) TERRORIST.—The term “terrorist” includes a person carrying out domestic terrorism or international terrorism (as such terms are defined, respectively, under section 2331 of title 18, United States Code).

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATERS) and the gentleman from North Carolina (Mr. MCHENRY) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATERS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

□ 1745

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am so pleased that this body will vote on H.R. 56, the Financial Technology Protection Act, which passed the House in the 115th Congress. This bill would strengthen and expand efforts to deter terrorists and illicit abuses of financial technology through interagency coordination and research through collaboration with private institutions and citizens.

As stated in last year's National Money Laundering Risk Assessment from the United States Department of the Treasury, many cryptocurrencies are being designed to make virtual currency transactions untraceable and are increasingly being used by bad actors.

The talent and technological capabilities to track these transactions must keep up so the government can identify terrorists, hackers, and other criminals who try to hide their activities and proceeds using cryptocurrencies and related exchanges.

This bill would establish a public-private sector task force, a grant program to encourage the development of largely open-source tracking technology, and a whistleblower reward program to counter terrorist uses of digital currencies. Also, it would require the government to examine how state and nonstate actors, including foreign terrorist organizations, use these cryptocurrencies to evade sanctions, finance terrorism, and launder money.

I thank Congressmen BUDD and LYNCH for reintroducing this bipartisan legislation.

Mr. Speaker, I urge my colleagues to support it, and I reserve the balance of my time.

Mr. MCHENRY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 56, the Financial Technology Protection Act.

Our number one priority is to ensure the safety of the American people, especially from terrorists and terror organizations seeking to take away the freedoms we hold dear. This bipartisan legislation is a prime example of how we can reach across the aisle and find common ground in the fight against terrorism as well as illicit finance.

H.R. 56 establishes an Independent Financial Technology Task Force, which will improve coordination between the private and public sectors in order to research and develop tools to combat terrorism and the illicit use of financial technologies, including digital currencies.

Recent studies have found evidence that terrorists, especially lone-wolf actors, use digital currencies. A public-private task force as established through this legislation can inform Congress on the legislative and regulatory steps needed to stop these bad actors.

Furthermore, this bipartisan bill would incentivize individuals to come forward with knowledge of possible terrorist and illicit financing involving

digital currencies by offering monetary rewards for information that leads to successful convictions. A reward program is just the kind of innovation in policymaking that we need to stay a step ahead of terrorists.

Last Congress, the Treasury Department informed our committee that using such unconventional tools could be critical in generating useful intelligence, and I applaud Mr. BUDD and Mr. LYNCH for thinking creatively in this process and listening to testimony and taking that and putting that in legislative form.

The threat of illicit use of digital currencies is evolving, and policymakers must work together to find best practices and solutions. That is why this bipartisan bill is so important.

Furthermore, I would add that digital currencies have enormous potential benefits. We want to understand those benefits, but we also want to understand those costs involved, as policymakers. We want to be smart about it. I think it is useful and helpful for us to begin with understanding how we stamp out bad actors and their use of digital currencies before we move into that next set of conversation about how we properly enhance their utility in our society.

Mr. Speaker, I want to thank, again, my colleague from Massachusetts (Mr. LYNCH) for his work here and my colleague from North Carolina, the great north State, Mr. BUDD, first for their relationship on this important policymaking, and also their willingness to work across the aisle in order to get good legislation that is ensuring the safety of the American people.

Mr. Speaker, I urge my colleagues to support H.R. 56 as a commonsense, forward-looking approach to combating terrorism, and I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts (Mr. LYNCH), who is a strong leader and a strong voice on the Financial Services Committee and the lead Democratic cosponsor of this bill.

Mr. LYNCH. Mr. Speaker, I rise in support of H.R. 56.

First, I would like to thank our chairwoman, the gentlewoman from California (Ms. WATERS), for her outstanding leadership in bringing this bill to the floor. I would also like to thank the gentleman from North Carolina (Mr. MCHENRY) for his energetic support as well. In addition, I would like to thank my distinguished colleague, the gentleman from North Carolina (Mr. BUDD), a colleague of ours on the Financial Services Committee, for working in a bipartisan fashion with me to get this bill to the floor in a better way to safeguard our emerging financial technology sector against its illicit use by terrorists and their financiers, money launderers, computer hackers, and other criminal actors.

I would also like to point out, as evidenced in the course of our ongoing

committee investigation to examine terrorist and money laundering activities, that continued innovations in digital currencies, peer-to-peer financing, mobile payments, and other emerging financial technologies—or in today's lingo, fintech—have been met with increasing efforts by malign actors to exploit these digital platforms and services for terrorist and other criminal purposes. According to the Combating Terrorism Center At West Point: "Given the interest that terrorist organizations have shown in leveraging digital currencies, their use of such mediums for conducting financial transactions will only increase in the future."

So the growing reliance on digital currency for terrorist financing recently manifested itself in the U.S. in the form of a complex bank fraud scheme perpetrated by a Long Island woman, Zoobia Shahnaz, who pleaded guilty in November of 2018 to providing material support to a terrorist organization.

In an attempt to raise funds for the Islamic State, Ms. Shahnaz fraudulently obtained credit cards which she used to purchase more than \$62,000 in bitcoin and other cryptocurrencies. After converting the currency to U.S. dollars and transferring the funds to her checking account, she proceeded to execute wire transactions totaling over \$150,000 directed to top Islamic State-affiliated individuals and shell entities in Pakistan, China, and Turkey.

The illicit use of digital currency systems has also extended to other criminal enterprises, including cybercrime. According to a six-count indictment returned by a Federal grand jury in Newark, New Jersey, two Iranian nationals engaged in a nearly 3-year international extortion and computer crime scheme involving the deployment of so-called sam sam ransomware against U.S. public and private entities. Acting from inside Iran, these cybercriminals forcibly encrypted the computer systems of more than 200 hospitals, municipalities, and public institutions in the United States, including the city of Atlanta, the city of Newark, and the Colorado Department of Transportation. In exchange for decryption keys, they demanded ransom to be paid in bitcoin. In total, the men collected over \$6 million in ransom payments, to date, while causing more than \$30 million in losses to their U.S. victims.

Moreover, in July of last year, Special Counsel Bob Mueller indicted 12 Russian intelligence officers stemming from their involvement in cyber attacks against U.S. individuals and entities leading up to the 2016 Presidential election. According to the 11-count indictment, in order to "facilitate the purchase of infrastructure used in their hacking activity . . . the defendants conspired to launder the equivalent of more than \$95,000 through a web of transactions structured to capitalize on the perceived anonymity of cryptocurrencies such as bitcoin."

The SPEAKER pro tempore. The time of the gentleman has expired.

Ms. WATERS. Mr. Speaker, I yield the gentleman from Massachusetts an additional 1 minute.

Mr. LYNCH. So as we continue to witness and embrace rapid digital innovation in the traditional banking and finance sector, it is urgent that government and industry work together to adopt and deploy regulatory protocols such as blockchain technologies to protect the integrity of digital financial systems against abuse.

To this end, our legislation, the Financial Technology Protection Act, would establish an independent task force consisting of both public and private stakeholders to address the threat of exploitation of new financial technologies by terrorists and other malign actors.

It would also authorize innovative fintech grants to enhance the ability of U.S. companies, academic institutions, nonprofit organizations, and other private-sector entities to develop new tools designed to protect against criminal use of cryptocurrencies and enhance U.S. competitiveness in global financial markets.

Moreover, the bill would authorize a rewards program for individuals who provide information leading to the conviction of those who use digital currency systems for terrorist purposes.

Mr. Speaker, I urge my colleagues on both sides of the aisle to support H.R. 56.

Mr. MCHENRY. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina (Mr. BUDD), who is from the great metropolis of Advance in Davie County and who is a leader in fintech.

Mr. BUDD. Mr. Speaker, I want to thank my friend, the ranking member, for yielding, and I want to start by congratulating him on his new role on the Financial Services Committee. Certainly, he makes our home State, the Old North State, proud.

I also want to congratulate the new chair on her position as chair of our committee, and I look forward to working with her in a bipartisan fashion whenever I can.

I also have to thank my colead on H.R. 56, the gentleman from Massachusetts (Mr. LYNCH), for his leadership on illicit financing issues, and this bill in particular. I always enjoy teaming up with him, and I value his input and expertise on these issues. I am hopeful we will see some movement on his kleptocracy legislation soon, and I am proud to be coleading that bill with the gentleman.

Today, Mr. Speaker, I rise in strong support of my bipartisan legislation, the Financial Technology Protection Act. I have said this many times before, but I will say it again because it bears repeating: Illicit financing networks are the linchpin of any terrorist group, criminal organization, or rogue state's operations.

As we move into an increasingly digital and virtual world, criminals and

terrorists will start to use new technologies that are available to them. This shouldn't shock anyone. Of course, we all recognize the good that comes with innovation and new technology, but there will always be bad actors as well.

The bottom line is that the Federal Government has to be one step ahead of the illicit actors in this new space without threatening technological innovation, and that is what this bill will do. It will do this by giving the private sector additional tools to protect their new technology, hence the name for the bill, the Financial Technology Protection Act.

Mr. Speaker, H.R. 56 is a culmination of months of work with outside groups all over the political spectrum, from national security groups that appreciate the task force to trade and industry groups that appreciate the new tools being given to them that will help them better protect their industry and livelihood.

I think that this bill strikes an impressive balance and is an example of some bipartisan areas that we can work together on in the 116th Congress. Specifically, Mr. Speaker, my legislation will do the following things:

First, and perhaps most importantly, H.R. 56 establishes the Fintech Leadership in Innovation and Financial Intelligence Program, which will be used for grants and rewards in the fintech space for ideas and programs to combat terrorist use of digital currencies. These technologies would be open access and open source. Experts in the private sector can track illicit use of these currencies and perhaps do a better job of leveraging their talent to create tools and programs through the Fintech Leadership and Financial Intelligence Program. We need to give them the ability to try, and that is exactly what this bill does.

Secondly, it establishes the Independent Financial Technology Task Force to Combat Terrorism and Illicit Financing, which will improve coordination and start conversations between the private and public sectors for new ways to combat illicit use. In my view, industry and the Federal Government should be coming together to find best practices and solutions to stop this new terrorist funding threat.

H.R. 56 includes language from H.R. 5227, the Preventing Rogue and Foreign Actors from Evading Sanctions Act, introduced last Congress by my friend, MARK MEADOWS of North Carolina. This language directs the Treasury Department to develop a strategy that identifies and describes the potential uses of virtual currencies and other related emerging technologies by states and nonstate actors, terrorist organizations to evade sanctions, finance terrorism, or launder monetary instruments and threaten the United States' national security. Again, the development of a national strategy to combat illicit use strikes me as common sense; therefore, we are excited to have it in-

cluded in the bill and to have Mr. MEADOWS' support.

Finally, this Budd-Lynch legislation establishes a targeted rewards program for information leading to the capture of terrorists or illicit actors involved with terror digital currency networks. The government should be encouraging individuals with knowledge of illicit use of virtual currencies to come forward through the offerings of rewards for successful convictions.

Here is the bottom line: H.R. 56 is legislation that sparks private-sector innovation to deal with terror and illicit financing when it comes to virtual currencies, which ultimately benefits the underlying technology, the blockchain.

□ 1800

I think that Congress should be promoting programs and technologies that give industry the tools they need to save their technology and industry from illicit use and, hopefully, save them from further negotiation down the road.

I am very excited that this bill is up for a vote in the House today and has such strong bipartisan support.

Mr. Speaker, I urge adoption of my bipartisan legislation and, once again, thank everyone who has had a hand in bringing this to the floor. It is an exciting day when we can focus on fintech, and I am hopeful for the future of this committee and the 116th Congress.

Ms. WATERS. Mr. Speaker, I reserve the right to close.

Mr. MCHENRY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, three for three—the House Financial Services Committee comes out with the first three bills, and they are bipartisan. I would hope the House would adopt them tonight.

I think this is a great first step in this long road of legislating that I think we can be about in the Financial Services Committee. The chairwoman has shown that will, that interest, that inclination to work together where we can, where we can achieve consensus across the aisle.

I mean that as a compliment. In the politics of today, when you are working across the aisle, it seems as though that is dealt as an insult in some factions.

I know that Chairwoman WATERS has worked intently to get to the position of chairing this committee, for a little longer than I have to be the ranking member of the committee; but, as she will show me on opening day of the House Financial Services Committee, she has the gavel and I do not, but where we can work together, I am honored to be able to do so.

I want to thank my colleague, Mr. BUDD, for working so intently on financial innovation and on fintech as well as cryptocurrencies, which are of great interest to him, and I appreciate Mr. LYNCH being engaged in this subject matter as well.

I look forward to more bipartisan legislating coming out of this committee as well as a number of more interesting activities that I am sure will be a part of this.

I am now informed that we do have one Member to close. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. RIGGLEMAN), a new Member who has a great deal of experience in national security.

Mr. RIGGLEMAN. Mr. Speaker, special thanks to the chair and to the ranking member for their leadership on this. I would also like to thank Representative BUDD for sponsoring this bipartisan legislation and thank my colleagues across the aisle, Representatives LYNCH and SOTO, for their important work on this bill as well.

While I may be new to Congress, I am all too familiar with terrorist threats and the danger they pose to the safety and security of our Nation. I served my country in the Air Force as an intelligence officer and worked to track down terrorists after 9/11. I also supported “follow the money” analysis and operations related to terrorist financing.

One of the key components that allows terrorists to organize and execute their missions is financing. As financial technology, or fintech, evolves, so do the opportunities for criminals to take advantage of the financial system.

H.R. 56 calls for financial regulators, law enforcement, and private-sector experts to come together to create the Fintech Task Force to Combat Terrorism and Illicit Finance. This task force is charged with developing innovative methods to track, prevent, and prosecute terrorists that use digital currencies and other financial technologies to advance their agenda.

Technology is integral to everyday life for consumers, businesses, and governments, which is why it is critical that experts from law enforcement and the private sector come together to protect our financial system from terrorists and other bad actors.

Mr. Speaker, for these reasons and many others, I strongly support this bill.

Mr. MCHENRY. Mr. Speaker, I yield back the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I would like to thank Representative BUDD and Representative LYNCH for the work that they have put forth on this legislation, and I would like to take a moment to thank Mr. LYNCH for not only this legislation, but all of the efforts that he has put forth on the Financial Services Committee that have benefited this Congress and our country.

Let me just say that I rise again to encourage my colleagues on both sides of the aisle to vote for H.R. 56, the Financial Technology Protection Act. This bipartisan bill aims to improve our efforts to deter terrorists and criminal abusers of financial technology, including cryptocurrencies,

through its support of interagency coordination and research and through collaboration with private institutions and citizens.

The measure created by this legislation will give the U.S. a better understanding of how bad actors, including terrorists, use cryptocurrencies to evade sanctions, finance terrorism, and launder money. These state and nonstate actors are always looking for new ways to get around our protective and investigative measures, and this bill will help us to stay at least one step ahead.

So, again, my sincere gratitude and thanks to Congressmen BUDD and LYNCH for reintroducing this bill, which was passed by this body in the last Congress.

I would like to, again, follow up on statements that were made by the ranking member, Mr. MCHENRY, to remind everyone that the first three bills of this Congress that have been introduced by the Financial Services Committee are bipartisan bills where we have shown that we are willing to provide leadership and send a message to all of the Members of Congress that we have to work hard to try and get good, viable, strong legislation through this Congress, working together in ways that perhaps we have not done before.

I am very pleased and proud to stand here as the chairperson of the Financial Services Committee, helping to make sure that the first three bills that we introduce are bipartisan and urging my support for these bills and this bill now that it is before you.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 56, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

TAKING ADDITIONAL STEPS TO ADDRESS THE NATIONAL EMERGENCY WITH RESPECT TO VENEZUELA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 116-8)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

Pursuant to the International Emergency Economic Powers Act (IEEPA) (50 U.S.C. 1701 et seq.), I hereby report that I have issued an Executive Order with respect to Venezuela that takes additional steps with respect to the na-

tional emergency declared in Executive Order 13692 of March 8, 2015, and relied upon for additional steps taken in Executive Order 13808 of August 24, 2017, Executive Order 13827 of March 19, 2018, Executive Order 13835 of May 21, 2018, and Executive Order 13850 of November 1, 2018.

The Executive Order I have issued accounts for the swearing in of a legitimate Interim President of Venezuela, and addresses actions by persons affiliated with the illegitimate Maduro regime, including human rights violations and abuses in response to anti-Maduro protests, arbitrary arrest and detention of anti-Maduro protestors, curtailment of press freedom, harassment of political opponents, and continued attempts to undermine the Interim President of Venezuela and undermine the Venezuelan National Assembly. The Executive Order amends subsection (d) of section 6 of Executive Order 13692, subsection (d) of section 3 of Executive Order 13808, subsection (d) of section 3 of Executive Order 13827, subsection (d) of section 3 of Executive Order 13835, and subsection (d) of section 6 of Executive Order 13850, to read:

“(d) the term “Government of Venezuela” includes the state and Government of Venezuela, any political subdivision, agency, or instrumentality thereof, including the Central Bank of Venezuela and Petroleos de Venezuela, S.A. (PDVSA), any person owned or controlled, directly or indirectly, by the foregoing, and any person who has acted or purported to act directly or indirectly for or on behalf of, any of the foregoing, including as a member of the Maduro regime.”

I am enclosing a copy of the Executive Order I have issued.

DONALD J. TRUMP.
THE WHITE HOUSE, January 25, 2019.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 6:30 p.m. today.

Accordingly (at 6 o'clock and 10 minutes p.m.), the House stood in recess.

□ 1830

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. KILDEE) at 6 o'clock and 30 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Proceedings will resume on questions previously postponed.

Votes will be taken in the following order:

Motion to suspend the rules and pass H.R. 624, by the yeas and nays;

Motion to suspend the rules and pass H.R. 502, by the yeas and nays; and

Agreeing to the Speaker's approval of the Journal, if ordered.